REPUBLIC OF KENYA

Kenya National Development Programme

NATIONAL INDUSTRY AND MANUFACTURING VISION

VIWANDA VYA TAIFA

The Nation's Industry

The Industrial Doctrine · Five Industrial Clusters
The Kenya Integrated Steel Corporation · Cement and Construction Materials
The Coastal Chemical Complex · Canning and Processing Equipment
Tea and Coffee · Hides, Leather and Textiles · Macadamia, Avocado and Pyrethrum
Pharmaceuticals · Industrial Governance · The Jua Kali Formalisation

Kenya National Development Programme · 2026

A STATEMENT OF INTENT

Kenya's tea leaves become Lipton. Kenya's coffee beans become Nescafé. Kenya's hides become Italian shoes. Kenya's fish are canned in Thailand and sold back to the Kenyan consumer at five times the price of the raw catch. Kenya's pyrethrum — the world's most important natural insecticide feedstock, grown almost exclusively in Kenya — is formulated into finished products in Europe and Japan and sold at margins Kenya never sees. This is not bad luck. It is the structural consequence of an economy that was designed, under colonial and post-colonial trade arrangements, to supply raw materials to industrial economies and to import finished goods in return.

This programme ends that design. Not through protectionism — through capability. The country that can make its own steel does not need to import reinforcing bar. The country that can roast, blend, and brand its own tea does not need to sell it to another country to put it in a box with a picture of an elephant. The country that can manufacture canning lines and cold room units does not need to import the equipment that processes its own food. Capability is sovereignty. Industrial capability is economic sovereignty.

The Kenya National Development Programme has already designed the roads, the buildings, the schools, the hospitals, the cooperative system, the irrigation schemes, and the fisheries. Every one of them requires steel, cement, chemicals, equipment, and processed materials that Kenya currently imports. This section turns that demand inward — making Kenya the manufacturer of what Kenya needs, and then, once the domestic market is served, the exporter of what the region and the world wants from Kenya.

Viwanda vya Taifa. The Nation's Industry. We make what we need. We sell what we make.

SECTION 1: THE INDUSTRIAL DOCTRINE

The industrial doctrine of this programme rests on three principles, applied in sequence.

1.1 The Value Chain Principle

No raw material leaves Kenya as a raw material if it can be processed here at competitive cost. This principle is not applied categorically — there are raw materials whose processing requires capital or technology that Kenya cannot yet deploy efficiently. In those cases the raw material may be exported while the domestic processing capability is being built. But the direction of travel is non-negotiable: Kenya moves up every value chain it participates in, at the fastest pace that quality and competitiveness allow.

The value chain principle does not mean that Kenya tries to do everything. It means that Kenya identifies the specific processing and manufacturing steps where it has a genuine competitive advantage — labour cost, raw material proximity, geographic position, existing skills base — and invests in those steps systematically. A country that tries to manufacture everything ends up manufacturing nothing well. A country that manufactures the things it is genuinely well-positioned to manufacture ends up manufacturing them at world-class standard.

1.2 The Domestic Demand Anchor

The construction, agriculture, education, health, and settlement programmes of the Kenya National Development Programme generate an enormous domestic demand for industrial products. This demand is Kenya's most powerful industrial policy instrument — more powerful than any tariff, any subsidy, or any incentive scheme. A government that is building 22,200 schools, 200,000 affordable housing units per year, and thousands of kilometres of roads has the purchasing power to anchor an entire steel and construction materials industry. A cooperative network that needs cold storage at 1,450 wards and county aggregation facilities in all 47 counties has the purchasing power to anchor a domestic cold chain equipment manufacturing industry.

The domestic demand anchor is not protectionism. It is the use of the state's own purchasing power to create the minimum viable market scale that allows domestic industry to achieve the unit costs at which it can compete internationally. This is exactly how South Korea's steel, shipbuilding, and electronics industries were built — on the back of massive domestic infrastructure demand that gave Posco, Hyundai, and Samsung the scale to eventually dominate global markets.

1.3 The Programme Connections Principle

Every section of the Kenya National Development Programme connects to the industrial programme. The steel mill supplies KRCC and KSBC. The cement expansion supplies every construction project. The chemical complex supplies the fertiliser programme, the water treatment programme, and the food processing sector. The canning lines serve the fisheries cooperative programme and the agricultural surplus chain. The pharmaceutical sector serves the national health programme. The cold chain equipment serves the agricultural cooperative cold stores.

These connections are not incidental — they are the design. An industrial programme that is disconnected from the national development programme it is supposed to serve is an industrial programme that generates factories with no customers, investment with no return, and employment with no sustainability. Every industrial investment in this programme has a named domestic customer in another section of the national programme. That is its first market. The export market is its second.

THE SOVEREIGNTY TEST	For every major industrial product Kenya currently imports, the question is: what would it take for Kenya to produce this domestically at competitive cost, and over what timeline? If the answer is feasible within 20 years, the programme commits to building the capability. If the answer is not feasible, Kenya continues to import and focuses resources on sectors where domestic production is genuinely viable. The integrated steel mill passes this test. A commercial aircraft manufacturing facility does not. The programme is honest about the difference.

SECTION 2: THE FIVE INDUSTRIAL CLUSTERS

Industrial activity concentrates where infrastructure, skills, raw materials, and markets coincide. Kenya's industrial geography already has five natural clusters — some well-developed, some nascent, one long-horizon. The programme formalises, funds, and connects them rather than building an industrial geography from scratch.

Cluster	Industries, Rationale, and Infrastructure
CLUSTER 1 Coastal Industrial Corridor Mombasa · Dongo Kundu · Kilindini	ANCHOR: The Kenya Integrated Steel Corporation. Chlor-alkali and chemical complex. KPRL oil refinery and petrochemicals. INDUSTRIES: Steel production (integrated mill), chemicals (chlorine, caustic soda, PVC, fertiliser), fish processing and canning (tuna, sardine, mixed species), coconut and cashew processing, ship repair and marine engineering, container logistics and warehousing, oil refining and lubricants. WHY HERE: The port is the gate for ore imports and finished goods exports. The chlor-alkali complex and steel mill share infrastructure (power, water, waste management). The fish processing plants are adjacent to the landing facilities. The deep-water berths handle bulk cargo at scale. INFRASTRUCTURE REQUIREMENT: Dongo Kundu Special Economic Zone fully serviced — power, water, roads, fibre. SGR freight connection to the Port of Mombasa. Expanded bulk cargo handling at the port.
CLUSTER 2 Nairobi-Thika Industrial Corridor Ath River · Ruiru · Thika · Machakos	ANCHOR: Food processing (biscuits, edible oils, dairy, beverages, confectionery). Pharmaceutical manufacturing. Light manufacturing and consumer goods. INDUSTRIES: Coffee roasting and branded packaging, pharmaceutical production (generics and OTC medicines), electronics assembly, vehicle assembly, paper and packaging, cosmetics and personal care, cement and construction materials, plastic products. WHY HERE: Kenya's largest existing manufacturing cluster. Largest domestic consumer market adjacent. SGR connection to the coast. Skilled labour pool. University and technical college pipeline. INFRASTRUCTURE REQUIREMENT: Athi River SEZ infrastructure upgrade. Ring road to decongest Mombasa Road industrial access. Dedicated freight rail siding for industrial cluster. Nairobi River water treatment for industrial use.
CLUSTER 3 Rift Valley Agro-Processing Belt Nakuru · Eldoret · Kitale · Bungoma	ANCHOR: Tea value addition and branded export. Maize and wheat milling at scale. Dairy processing. INDUSTRIES: Tea blending, packaging and branded consumer export; coffee roasting (secondary node); sunflower and soya oil refining; wheat flour milling; dairy processing (UHT, cheese, butter, yoghurt); pyrethrum formulation; macadamia and avocado oil processing; sugar processing; animal feed manufacturing. WHY HERE: The agricultural heartland. Raw material is produced locally — the processing plant and the farm are in the same county. The cooperative surplus chain feeds the processing plants directly. INFRASTRUCTURE REQUIREMENT: Eldoret Airport cargo hub (already designed as export airport). Railway freight connection from Nakuru and Eldoret to Mombasa port. County industrial parks with power and water infrastructure.
CLUSTER 4 Lake Victoria Industrial Zone Kisumu · Homa Bay · Migori	ANCHOR: Fish processing and canning. Sugar refining. Cotton ginning and textile manufacturing. INDUSTRIES: Freshwater fish processing (tilapia, Nile perch, catfish canning and fresh-chilled export), sugar refining and by-products (ethanol, bagasse energy), cotton ginning, textile weaving, garment manufacturing (regional market), aquaculture equipment fabrication, boat building for the lake fishing fleet. WHY HERE: Lake Victoria fish harvest and the new inland fisheries. Western Kenya cotton and sugarcane production. Kisumu port for regional EAC market access. INFRASTRUCTURE REQUIREMENT: Kisumu Airport export hub (already designed). Lake port upgrade for regional freight. Industrial park at

	Kisumu with cold chain infrastructure.
CLUSTER 5 Northern Corridor Industrial Zone Isiolo · Moyale (Long Horizon)	ANCHOR: Livestock processing, leather, and rangeland beef brand value chain. INDUSTRIES: Abattoir and meat processing for rangeland beef brand export; hide and skin processing; leather tanning and goods manufacturing; dryland crop processing (sorghum, millet, cowpea); bone meal and blood meal for animal feed; camel dairy processing. WHY HERE: The LAPSSET corridor passes through Isiolo as Kenya's northern gateway. The ASAL livestock programme concentrates in this zone. Ethiopia border trade creates a market for processed goods. INFRASTRUCTURE REQUIREMENT: LAPSSET road and rail connectivity. Isiolo SEZ establishment. Cold chain for the beef brand export corridor. This cluster develops as LAPSSET develops — 10-15 year horizon.

SECTION 3: THE KENYA INTEGRATED STEEL CORPORATION

Kenya commits to building an integrated steel mill from Year 1 of this programme. The decision is strategic, not merely commercial. A country that cannot make its own steel cannot build its own infrastructure independently. A country that imports every tonne of reinforcing bar and structural steel for its roads, schools, dams, and housing is a country whose construction programme is hostage to global commodity prices, shipping schedules, and the industrial policy decisions of other governments. The Kenya Integrated Steel Corporation ends that dependency.

Japan has no iron ore. South Korea has no iron ore. Taiwan has no iron ore. All three built world-class steel industries by importing ore and exporting finished steel at sufficient value-add to make the economics work decisively in their favour. The absence of domestic iron ore is a cost factor, not a prohibition. Kenya's domestic construction demand — KRCC, KSBC, KLIC, the housing programme, the school programme — is large enough to justify the investment before a single tonne of export steel is sold.

3.1 The Mill — Location, Scale, and Configuration

Element	Detail
Location	Dongo Kundu Special Economic Zone, south of Mombasa. Port access for ore imports and finished goods exports. Power from the national grid plus a dedicated industrial power connection. Water from the coastal desalination programme. Shared logistics infrastructure with the chemical complex and the fish processing cluster.
Phase 1 — Long Products	Capacity: 2 million tonnes per year of long products: reinforcing bar (rebar) in sizes 8mm to 40mm, structural sections (I-beams, H-columns, channels, angles), wire rod, and railway rail. Timeline: Year 1 design and procurement, Year 3 civil construction, Year 7 first heat. Capital investment: approximately USD 1.8 billion. Product destination: 80% domestic construction market (KRCC, KSBC, KLIC, private sector), 20% East African export.
Phase 2 — Flat Products	Capacity: 1.5 million tonnes per year of flat products: hot-rolled coil, cold-rolled sheet, galvanised sheet, and steel plate. Timeline: Year 5 design, Year 10 construction, Year 13 commissioning. Capital investment: approximately USD 1.4 billion additional. Product destination: domestic manufacturing sector (canning lines, cold chain equipment, vehicle assembly, roofing sheets), export to East African and broader African market.
Process Route	Blast Furnace — Basic Oxygen Furnace — Continuous Casting — Rolling Mill. This is the standard integrated route. The blast furnace produces iron from ore and coke; the BOF converts iron to steel; continuous casting produces billets and slabs; the rolling mill produces finished product. An Electric Arc Furnace is also installed to process domestic scrap — as Kenya's construction activity generates more steel scrap over time, the EAF share of production increases, reducing ore import dependency progressively.
Iron Ore Supply Chain	Phase 1: Imported ore from Brazil (Vale, 60% iron content, benchmark quality), Australia (BHP and Rio Tinto, 62% iron), and India. Supply contracts of 10-year minimum duration secured before construction begins. Port of Mombasa bulk

	cargo terminal upgraded for iron ore offloading at 5 million tonnes per year throughput. Phase 2: EAC regional ore development — Tanzania's Liganga iron ore deposit (reserves estimated at 126 million tonnes), Uganda's Sukulu phosphate belt, and DRC deposits within LAPSSET freight range are assessed for long-term domestic supply chain development.
Coking Coal	No significant domestic coking coal. Imported from Mozambique (Moatize coalfield), South Africa, and Australia. Long-term: partial substitution with hydrogen-based direct reduction (using green hydrogen from the coastal desalination electrolysis programme) as the green steel transition develops. Kenya's integrated mill is designed from the outset with the green steel retrofit in mind — the plant layout, the gas handling systems, and the energy infrastructure accommodate hydrogen injection from Year 15.
Governance	The Kenya Integrated Steel Corporation (KISC) is established as a state-owned enterprise on the KRCC/KSBC model — commercial company, professional board, CEO on performance contract, no protected procurement. The state holds 60% equity in Phase 1. Strategic industrial partners — a steel technology firm (likely South Korean or German) holds 25% and provides the technology licence and operational management transition. The remaining 15% is offered to Kenyan institutional investors through the Nairobi Securities Exchange once the mill reaches commercial production.

3.2 The Domestic Demand Calculation — Why the Mill Is Viable

The construction programme's steel demand is the mill's guaranteed market. The following calculation shows the minimum domestic demand from the national programme alone — before any private sector construction, any export, or any manufacturing sector demand is counted.

Programme	Steel Application	Estimated Volume
KRCC Roads Programme	Reinforcing bar for bridges, culverts, tunnel linings, and retaining structures. 50,000km of road programme over 20 years × average 1,500 tonnes of steel per km of road equivalent.	75 million tonnes over 20 years = 3.75 million tonnes/year
KSBC Buildings Programme	Structural steel and rebar for 22,200 new schools, 200,000 affordable housing units/year, hospitals, offices, and stadia. Average 500 tonnes per school × 22,200 = 11.1 million tonnes for schools alone.	~15 million tonnes for the school programme + ~8 million tonnes for housing per year
KLIC Irrigation Programme	Steel for irrigation canal lining, pipe networks, pump station structures, and storage facilities.	~2 million tonnes over 20 years
Water Programme	Steel for dam gates, sluices, pipeline infrastructure, desalination plant structures, and water tower construction.	~3 million tonnes over 20 years
Private Construction	Commercial buildings, industrial facilities, private housing — conservatively estimated at 50% of government programme volumes in the same period.	~10 million tonnes over 20 years
TOTAL DOMESTIC DEMAND	—	~55+ million tonnes over 20 years = 2.75+ million

		tonnes per year

THE VIABILITY VERDICT	At 2.75 million tonnes per year of domestic demand, a 2 million tonne Phase 1 mill serves 73% of domestic needs before selling a single tonne externally. The mill is not a strategic gamble on export markets. It is a direct response to domestic demand that currently costs Kenya approximately USD 800 million per year in steel imports. The mill pays for itself in import substitution before the export revenue is counted.

3.3 The EAF Bridge — Immediate Capacity While the Integrated Mill is Built

The integrated mill takes 7 years from commitment to first production. The construction programme needs steel from Year 1. The bridge is the expansion of Kenya's existing Electric Arc Furnace capacity — primarily Devki Steel, Tononoka Steel, and Insteel — to produce reinforcing bar from imported billets and domestic scrap at volumes the construction programme needs immediately.

Element	Programme
EAF Expansion Target	Triple Kenya's current EAF production capacity from approximately 600,000 tonnes/year to 1.8 million tonnes/year by Year 3. Achievable through equipment investment at existing facilities — not new mill construction.
Billet Import Chain	Imported steel billets from India, Turkey, and Ukraine provide the feedstock while domestic ore-based production is developed. Billet import is more efficient than finished steel import — Kenya adds the rolling value domestically even before the integrated mill is operational.
Scrap Collection	A national steel scrap collection programme — run by the municipalities and the cooperative sector — builds the domestic scrap supply that the EAF sector needs. Scrap is currently exported. The programme stops that: scrap collected in Kenya is processed in Kenya.
Transition	When the integrated mill reaches commercial production in Year 7, the EAF facilities transition to producing speciality steel grades (stainless, tool steel, high-alloy) that the integrated mill does not produce — becoming complementary to rather than competitive with the integrated mill.

SECTION 4: CEMENT, CLINKER AND CONSTRUCTION MATERIALS

Kenya has a functioning cement industry — Bamburi (Holcim), National Cement, East African Portland, ARM Cement, and others — with total installed clinker capacity of approximately 9 million tonnes per year. The construction programme requires a significant expansion of this capacity, an improvement in the technical specification of cement for specialist applications, and the development of domestic construction materials manufacturing to serve the KSBC Housing Production Centres.

4.1 Clinker Expansion

Clinker is the intermediate product from which cement is made — limestone and other minerals fired in a rotary kiln at approximately 1,450°C, then ground with gypsum to produce Ordinary Portland Cement. Kenya has the limestone reserves to support significant clinker production expansion. The bottleneck is kiln capacity and energy cost — clinker production is energy-intensive, and Kenya's industrial electricity prices have historically made clinker production less competitive than import.

Element	Programme
Current Capacity	~9 million tonnes/year clinker. Sufficient for current construction activity. Insufficient for the Kenya National Development Programme's construction volumes.
Target Capacity	18 million tonnes/year by Year 10. Doubling of current capacity through new kiln installations at existing plants and one new greenfield clinker facility in the Coast region (near Bamburi's limestone quarry) and one in the Rift Valley (near Tororo limestone deposits at the Uganda border).
Energy Solution	Clinker production requires consistent base-load power at competitive cost. The coastal desalination complex's co-generation facility provides industrial power at preferential rates to the clinker plant adjacent to it. Waste heat recovery systems installed on all kilns — converting kiln exhaust heat to steam for turbines — reduce net energy cost by 25-30%.
Specialist Cements	The construction programme requires cement grades beyond standard OPC: sulphate-resistant Portland cement for coastal and ASAL structures in saline soils; low-heat cement for mass concrete dam faces and large raft foundations; rapid-hardening cement for tunnel lining applications; white cement for architectural finishes on public buildings. Kenya currently imports all specialist cement grades. The expanded clinker capacity includes production lines for all four specialist grades.

4.2 Construction Materials Manufacturing

The KSBC Housing Production Centres — five nationally, producing pre-cast panels, bathroom pods, structural frames, and facade systems — represent an enormous demand for standardised construction components. The programme establishes domestic manufacturing for the primary construction material inputs alongside the Housing Production Centres.

Product	Programme

Pre-Cast Concrete Components	Pre-cast panels, hollow-core floor slabs, pre-stressed beams, and staircase units manufactured at or adjacent to the KSBC Housing Production Centres. Reduces site construction time by 40-60%. Manufactured to KSBC's BIM-modelled National Building Types specifications. Five production facilities nationally — one at each Housing Production Centre.
Roofing Materials	Long-run steel roofing sheets (from the integrated mill's flat products division), clay tiles from domestic quarries, and fibre-cement tiles for ASAL applications where metal roofs create extreme heat. A domestic roofing materials industry anchored by the school construction programme's demand for 22,200 roof structures.
Bricks and Blocks	Concrete masonry units (CMU), clay bricks, and stabilised soil blocks manufactured locally in every county using local raw materials. The school building programme specifies local masonry wherever structurally appropriate — keeping the construction materials supply chain as local as possible.
Aggregates	Crushed stone and sand from quarries licensed and operated under the National Quarrying Programme — managed by KRCC's civil engineering arm. Every major construction project in the programme sources its aggregates from within 100km wherever geologically possible. Imported aggregates are the exception not the rule.
Glass	Kenya has no flat glass manufacturing. All architectural glass is imported. The construction programme's demand for 22,200 schools, 200,000 housing units per year, and thousands of public buildings creates sufficient scale to justify a domestic float glass plant. Target: operational by Year 8, producing clear, tinted, and safety glass for the domestic construction market.

SECTION 5: THE COASTAL CHEMICAL COMPLEX

The chlor-alkali electrolysis of coastal desalination brine — already established in the National Water Programme and the Agriculture Vision — produces three primary outputs: chlorine gas, caustic soda solution, and hydrogen gas. These are not just inputs to the fertiliser programme. They are the feedstocks for Kenya's entire coastal chemical industry. The industrial symbiosis principle governs the complex: every by-product is a named input to the next process. Nothing leaves the complex as waste.

5.1 The Industrial Symbiosis Chain

Stream	Downstream Products	Industrial Logic
Brine (NaCl)	Feedstock for chlor-alkali electrolysis. 42,000 tonnes NaCl per day at Phase 1 desalination capacity. 30% processed in Phase 1, 100% target in Phase 3.	The desalination waste becomes the chemical complex raw material. Zero disposal cost.
Chlorine (Cl2)	PVC via vinyl chloride monomer. Sodium hypochlorite for water treatment and bleaching. Hydrochloric acid for industrial use. Organochlorine synthesis for pharma and agrochemicals.	Kenya imports all PVC pipe and industrial bleach. Domestic production substitutes all three.
Caustic Soda (NaOH)	Soap and detergent via saponification of vegetable oils. Aluminium processing. Paper and pulp chemical pulping. Food processing pH adjustment.	Phase 1 capacity produces enough to supply the entire East African soap and detergent market.
Hydrogen (H2)	Haber-Bosch to urea fertiliser (783,000 t/year at Phase 1). Hydrocracking at KPRL. Green steel hydrogen injection from Year 10. Industrial fuel cell power.	Fertiliser chain designed. Refinery upgrade. Green steel carbon reduction from Year 10.
PVC Downstream	Water supply, irrigation, drainage, sewerage pipe. Housing window and door profiles. Cable insulation. Geomembranes for dam and canal lining.	Domestic programme demand justifies plant before any export. Kenya imports all PVC pipe.
Soap and Detergent	Consumer soap from coastal coconut and palm oil. Industrial detergent for hospitality and health. Personal care products for domestic and East African market.	Plant at Mombasa industrial zone for port export access and domestic distribution.

5.2 The PVC Programme — Meeting the National Infrastructure Demand

PVC pipe is the backbone of the national water programme. Every sand dam, every ward cooperative cold store's refrigeration circuit, every irrigation scheme's distribution network, every settlement programme's water supply line requires PVC pipe in enormous volumes. Kenya currently imports virtually all of it. The coastal PVC manufacturing plant changes this permanently.

Demand Stream	Volume Estimate
Water Programme Demand	The National Water Programme alone requires an estimated 50,000km of PVC water supply pipe across all diameters (25mm to 400mm) over 20 years. At average pipe cost of KSh 1,500/metre, this represents KSh 75 billion in PVC pipe procurement — currently almost entirely spent on imports.
Sewerage Programme Demand	The settlement programme's TBM sewer construction uses concrete pipes for the primary trunks, but the secondary and tertiary sewer network — from households to the main sewer — uses PVC. 47 county towns × an average of 500km of secondary sewer network = 23,500km of PVC sewer pipe nationally.
Irrigation Programme Demand	KLIC's irrigation schemes use drip and sprinkler irrigation systems built on PVC lateral and sub-main networks. A 500-hectare drip irrigation scheme uses approximately 200km of PVC pipe. Across KLIC's full 100,000-hectare programme, the demand is 40,000km of irrigation pipe.
Housing Programme Demand	200,000 housing units per year × approximately 500 metres of plumbing pipe per unit = 100,000km of PVC plumbing pipe per year. The single largest sustained PVC demand stream in the programme.

SECTION 6: CANNING LINES AND FOOD PROCESSING EQUIPMENT

The fisheries programme requires tuna and sardine canning lines at the Mombasa coastal processing hub and fresh tilapia processing lines at the Lake Victoria facilities. The agricultural cooperative programme requires canning and bottling lines for tomato paste, fruit juices, vegetable products, and jams at county processing facilities. The dairy programme requires UHT processing lines, cheese-making equipment, and butter churns at dairy cooperative plants. The grain programme requires modern milling equipment, grain cleaners, and packaging lines at the county aggregation facilities.

All of this equipment is currently imported — from Italy, Germany, the Netherlands, China, and the United States. Some of it is very specialised and will continue to be imported for the foreseeable future. But a significant portion of food processing equipment is fabricated steel with electrical and mechanical components — and once Kenya has an integrated steel mill producing flat products and a domestic engineering manufacturing base, a substantial share of this equipment can be made in Kenya.

6.1 The Kenya Food Processing Equipment Corporation

The Kenya Food Processing Equipment Corporation — KFPEC — is established as a joint venture between the KISC (providing flat steel at domestic prices), the University of Nairobi engineering faculty (providing design and R&D), and the Kenya Industrial Development Corporation (providing capital). It manufactures food processing equipment for the domestic market with a medium-term target of East African export.

Product Line	Programme
Canning Lines	Rotary fillers, seamers, retort sterilisers, label applicators, and case packers for tuna, sardine, tilapia, and mixed vegetable products. Design based on proven Italian (Comacchio, CFT) and Chinese (JST) technology under licence or reverse-engineered after the initial import stage. Production target: 50 complete canning lines per year for the domestic cooperative network by Year 7.
Cold Room Systems	Prefabricated cold room panels (polyurethane-insulated steel panels), compressor units, evaporator and condenser coils, and control systems. The ward cooperative cold store programme requires approximately 1,450 cold room installations nationally. The county aggregation facilities require 47 large-scale cold stores. This is a defined, quantified market. KFPEC produces the panels domestically using the steel mill's flat products; compressor technology is imported initially, with a 10-year target of domestic compressor manufacturing.
Dairy Processing Equipment	Pasteurisers, separators, UHT processing lines, butter churns, and cheese vats for the cooperative dairy programme. Stainless steel fabrication is the primary manufacturing challenge — KISC's flat products division produces stainless steel plate from Year 11. Until then, stainless steel components are imported and assembled domestically.
Grain Processing Equipment	Hammer mills, roller mills, grain cleaners, seed treaters, and packaging lines for the county aggregation facilities. These are mechanically simpler than canning or dairy equipment — large portions can be fabricated from mild steel using the KISC's Phase 1 long and flat products. The first domestically manufactured

	grain processing equipment rolls out of KFPEC by Year 5.
Irrigation Equipment	Drip emitters, sprinkler heads, filter housings, pressure regulators, and distribution manifolds for the KLIC irrigation programme. Injection-moulded plastic components using PVC from the coastal chemical complex. Metal components from KISC. KFPEC's irrigation equipment division supplies KLIC's entire programme from Year 5 — replacing the current import dependency on Israeli and Chinese irrigation equipment.

SECTION 7: TEA AND COFFEE — CAPTURING THE BRAND

Kenya's tea is sold at the Mombasa auction at an average price of approximately USD 2.50 per kilogram of made tea. A 100-gram box of Twinings Earl Grey, containing Kenyan tea blended with bergamot, retails at approximately USD 5.00 in a London supermarket — equivalent to USD 50 per kilogram. Kenya produces the tea. Kenya earns USD 2.50. A company in Andover, England earns USD 47.50. This is not a trade arrangement. It is a tribute system. It ends here.

7.1 The Kenya Tea Brand Programme

Kenya does not need to displace Lipton or Twinings. It needs to own a premium segment of the global tea market under a Kenyan brand that consumers recognise, trust, and pay a premium for. Several Kenyan tea estates already do this at small scale — Ketepa exports consumer-packed tea to East African markets, and several single-origin Kenyan teas command premiums in speciality markets. The programme scales and formalises this into a national brand programme.

Element	Programme
The Kenya Tea Mark	A certification mark — Kenya Tea, Single Origin — applied to all consumer-packed tea produced from Kenyan leaf, blended or single-estate, with full traceability to the cooperative or estate that grew the leaf. The mark is managed by the Kenya Tea Development Agency in partnership with the cooperative sector. It commands a premium because it guarantees provenance, quality, and fair producer price.
Blending and Packaging Facilities	Two large-scale blending and consumer packaging facilities: one at Kericho (serving the highland tea belt) and one at Mombasa (serving the export and Gulf market logistics chain). Each facility blends to consumer-pack specifications, produces retail packs (250g, 100g, 20-bag), hospitality packs, and foodservice bulk packs under the Kenya Tea Mark. Capacity target: 100,000 tonnes of consumer-packed tea per year by Year 8, representing approximately 20% of Kenya's annual tea production.
Target Markets	Gulf (UAE, Saudi Arabia, Qatar, Kuwait — collectively the world's highest per-capita tea consumers): positioned as premium East African breakfast tea, competing directly with Dilmah and Ahmad Tea. East Asia (China, Japan, South Korea): positioned as artisanal African single-origin, complementing Chinese green tea rather than competing with it. North America: the speciality and premium grocery segment — Whole Foods, Trader Joe's — where single-origin and provenance-certified products command 3-5x commodity price premiums.
Cooperative Connection	The Kenya Tea Mark's fair producer price guarantee connects directly to the cooperative structure of the tea sector. KTDA cooperatives already organise 600,000 smallholder tea farmers. The consumer-pack programme distributes the brand premium back to these farmers through the cooperative — the farmer who grew the tea that is in the consumer's cup receives a larger share of the price the consumer paid.

7.2 The Coffee Roasting and Packaging Cluster

Kenya's arabica coffee is among the world's most sought-after — rated consistently alongside Ethiopia's Yirgacheffe, Colombia's Huila, and Panama's Geisha in speciality coffee markets globally. Yet 90% of Kenya's coffee export is green (unroasted) beans. The roasting, grinding, and branding happens overseas. The value stays overseas.

Element	Programme
The Nairobi Coffee Roasting Park	A dedicated industrial park unit within the Nairobi-Thika corridor for coffee roasting and packaging companies — both domestic brands and international roasters establishing Kenyan operations. Serviced with dedicated power (roasting is energy-intensive), CO_2 capture infrastructure (roasting releases significant CO_2 which can be captured and sold to beverage manufacturers), and cold storage for green bean inventory. Target: 10 commercial roasting operations by Year 5, 25 by Year 10.
The Kenya Coffee Brand	A single-origin premium consumer brand — Kenya AA, Kenya AB, and regional single-origin designations (Nyeri, Kirinyaga, Murang'a) — packaged for the domestic premium market and for direct export to speciality coffee retailers globally. The cooperative coffee auction mechanism is maintained for bulk green bean trade but a parallel premium channel is established for certified single-origin consumer-pack coffee.
Instant Coffee Manufacturing	Nescafé is made partly from Kenyan coffee beans. Kenyan instant coffee is not a product that exists at scale. A domestic spray-dried and freeze-dried instant coffee manufacturing facility — producing branded Kenyan instant coffee for the domestic market and the East African institutional market (hotels, offices, airlines) — reduces the import dependency on Nestlé and other multinational brands.
Gulf and East Asian Markets	Speciality coffee consumption is growing rapidly in the UAE, Saudi Arabia, South Korea, and Japan. All four markets have a strong appetite for premium, traceable, single-origin African coffee. The Eldoret Airport cargo hub and Mombasa Airport export hub provide direct airfreight access to these markets for freshly roasted beans — freshness is the primary quality differentiator in premium roasted coffee.

SECTION 8: HIDES, LEATHER AND TEXTILES

Kenya slaughters millions of cattle, sheep, and goats annually. Every one of those animals produces a hide or a skin. Currently, most of those hides and skins are either exported raw, processed to wet-blue stage (the first tanning stage) and exported semi-processed, or lost to poor flaying and preservation practices at informal slaughter points. Kenya has no significant leather goods manufacturing industry. The shoe on a Nairobi office worker's foot is more likely to have been made in China from African leather than to have been made in Kenya from Kenyan leather. This changes.

8.1 The Leather Value Chain

The leather value chain runs: animal slaughter → hide flaying and curing → beam house processing (soaking, liming, de-hairing) → tanning (chrome or vegetable) → finishing → leather goods manufacturing. Kenya currently participates in the first two stages and exports at the third. The programme extends Kenya's participation to the end of the chain.

Element	Programme
County Slaughter Integration	The county slaughter and chilling facilities designed in the Agriculture Vision are the supply chain anchor for the leather programme. Every county slaughter facility has a hide and skin collection, salting, and grading operation as a standard component. The Livestock Consolidation Points in the ASAL corridor have hide collection and temporary curing stations. The raw hide never leaves the country — it moves from the slaughter floor into the tanning value chain.
Tannery Expansion	Kenya has existing tanneries — Leather Industries of Kenya at Thika and several smaller operations. These are expanded and upgraded to process the full national hide and skin supply. Two new tanneries are established: one at Isiolo (serving the ASAL livestock corridor) and one at Kisumu (serving the Lake Victoria agricultural zone). Combined tanning capacity target: 10 million square metres of finished leather per year by Year 8.
Leather Goods Manufacturing	A dedicated leather goods manufacturing cluster at Athi River — shoes, bags, belts, wallets, upholstery, and saddlery. Labour-intensive manufacturing that Kenya's labour cost structure makes competitive. Initial target market: the East African Community domestic market (300 million consumers). Secondary target: the premium global market for certified African leather goods with provenance story attached — the rangeland beef brand's leather becomes a product with a complete story from ASAL pastoralist to consumer's hand.
The Rangeland Leather Brand	The Kenya Rangeland Beef brand (designed in the Agriculture Vision) produces both premium beef and premium hides. A corresponding Kenya Rangeland Leather mark — certified provenance, sustainable production, fair pastoralist price — is applied to finished leather and leather goods from the ASAL supply chain. This is a premium positioning in a global leather goods market that is increasingly demanding provenance and sustainability certification.

8.2 The Textile and Garment Chain — Rivatex and Beyond

Kenya's textile industry largely collapsed in the 1990s and 2000s under pressure from second-hand clothing imports and cheaper Asian manufactured textiles. Rivatex East Africa in Eldoret — once East

Africa's largest textile mill — has been partially rehabilitated but operates below capacity. The Export Processing Zone garment sector at Athi River produces for export under AGOA (African Growth and Opportunity Act) preferences but uses mostly imported fabric. The domestic cotton-to-fabric-to-garment chain is broken at multiple points.

Element	Programme
Cotton Revival	The Agriculture Vision's cooperative programme includes cotton as a designated crop in Western Kenya and Nyanza. Cotton ginning cooperatives — one per cotton-producing sub-county — process seed cotton to lint. The lint feeds domestic textile mills rather than being exported. The programme commits to a minimum domestic lint absorption of 60% — 40% may be exported as lint, but the majority must be offered to domestic spinners first.
Rivatex Revitalisation	Rivatex is recapitalised and re-equipped as Kenya's anchor textile manufacturing facility. New spinning, weaving, dyeing, and finishing equipment. Capacity: 50 million metres of woven fabric per year by Year 5. Product range: plain weave fabrics for garments, khaki and drill for workwear and school uniforms, denim, and printed fabrics for the domestic consumer and East African market. The school uniform programme — 22,200 schools, 27 million children, two uniforms per child per year — is Rivatex's anchor domestic contract.
Garment Manufacturing	Garment manufacturing clusters at Athi River (export focus, AGOA-compliant), Kisumu (domestic and EAC market), and Eldoret (school and institutional wear). The clusters are not export processing zones in isolation — they source fabric from Rivatex and the emerging Kenyan textile sector, not from imported fabric. The value chain from cotton field to finished garment is fully domestic.
School Uniform Programme	The Kenya School Standard requires school uniforms. 27 million children × 2 uniforms per year = 54 million school uniform sets annually. Procured through KSBC's procurement framework, sourced from Rivatex fabric and domestic garment manufacturers. This single procurement stream is sufficient to justify Rivatex's full recapitalisation. The school uniform is the garment sector's domestic demand anchor — the equivalent of the steel mill's construction programme anchor.

SECTION 9: MACADAMIA, AVOCADO AND PYRETHRUM — HIGH-MARGIN PROCESSING

Three agricultural products in which Kenya is a world-scale producer but captures a fraction of the available value. Macadamia, avocado, and pyrethrum share a common profile: Kenya dominates the raw material supply, the value addition is technically straightforward and capital-modest relative to the steel mill or chemical complex, and the global market for the processed product is large and growing. These are the highest-return-per-invested-shilling industrial opportunities in the programme.

9.1 Macadamia — From Nut to Oil to Cosmetic

Kenya is among the world's top three macadamia producers, with production concentrated in the Mount Kenya region. The macadamia is currently exported mostly as whole kernel — the lowest value form — to confectionery manufacturers in Germany, the United States, and Japan who extract the oil, produce macadamia butter, and manufacture macadamia-based cosmetics and skincare products at margins many times the kernel export price.

Product	Programme
Macadamia Oil Processing	Cold-press macadamia oil extraction facilities co-located with the cooperative aggregation points in Kirinyaga, Embu, and Meru counties. Food-grade macadamia oil for culinary use (premium cooking oil market — macadamia oil commands USD 15–25/litre retail) and cosmetic-grade oil for the beauty industry. Waste meal from oil extraction used as high-protein animal feed — zero by-product waste.
Macadamia Butter	Macadamia nut butter — a premium consumer product growing rapidly in health food markets globally — manufactured at the Nairobi food processing cluster. Branded, packaged, and exported directly to European, Gulf, and North American health food retailers. No middleman between the Kirinyaga farmer's macadamia and the Rotterdam consumer's macadamia butter jar.
Cosmetics Integration	Macadamia oil is one of the most sought-after carrier oils in the premium cosmetics industry — used in moisturisers, serums, hair care, and lip products. A Kenya cosmetics manufacturing cluster, using macadamia oil alongside shea butter (West Africa), coconut oil (Kenya coast), and avocado oil, produces Kenya-branded premium natural skincare for the global and East African market.

9.2 Avocado — From Export Commodity to Processed Goods

Kenya is the world's sixth-largest avocado producer and growing. The Hass avocado from Murang'a and Kirinyaga is exported fresh to European supermarkets — but only the premium grade. Approximately 30-40% of the avocado harvest is downgraded, rejected, or wasted because it does not meet fresh export specifications. This fraction currently generates almost no revenue. Avocado oil processing converts the downgraded harvest into a high-value product.

Product	Programme

Avocado Oil Processing	Cold-press and centrifuge avocado oil extraction at processing facilities adjacent to cooperative aggregation points in the Mount Kenya horticulture belt. Extra-virgin avocado oil (from fresh, ripe avocados) for premium food and cosmetic markets. Refined avocado oil (from overripe and slightly blemished fruit) for cooking oil, cosmetics, and pharmaceutical applications. Target: 50,000 tonnes of avocado oil per year by Year 8 — converting what is currently waste into an export revenue stream.
Avocado Butter and Cosmetics	Avocado butter (deodorised and hydrogenated avocado oil) is a primary ingredient in premium cosmetics — body butters, lip balms, skin creams. The Kenya cosmetics cluster produces finished avocado-based skincare products under the Kenya Natural brand.
Guacamole and Ready-to-Eat	Avocado paste and guacamole in retort-sterilised pouches for the food service sector — airlines, hotels, supermarket deli counters, and fast-food chains globally. A technically straightforward processing operation with a rapidly growing global market.

9.3 Pyrethrum — From Extract to Finished Insecticide

Kenya produces approximately 80-90% of the world's natural pyrethrum — the chrysanthemum-based natural insecticide that is the active ingredient in most household insect sprays, agricultural pest control products, and public health vector control programmes. The pyrethrin extract is currently exported and formulated into finished products overseas. Kenya has never captured the formulation and aerosol manufacturing value despite controlling the world's supply of the primary ingredient.

Product	Programme
Pyrethrin Formulation	Pyrethrin concentrate mixed with synergists (piperonyl butoxide, PBO), solvents, and carriers to produce finished insecticide formulations: household aerosol sprays, agricultural spray concentrates, mosquito coils, and impregnated bed nets. All formulation currently done overseas. The Kenya Pyrethrum Board's mandate is expanded to include oversight of a domestic formulation sector.
Aerosol Manufacturing	An aerosol manufacturing plant at Nairobi industrial zone — filling cans with pyrethrin-based household insecticide, mosquito repellent, and surface spray formulations. The can manufacturing equipment uses steel from the KISC. The propellant is sourced domestically. The active ingredient is grown in Kenya. The finished aerosol can is made in Kenya and sold in Kenya and East Africa. The value chain is complete.
Public Health Application	The national malaria control programme, the tsetse fly control programme, and the locust response programme all use pyrethrins. Currently these programmes buy imported formulated products at significant cost. Domestic formulation at scale reduces the cost of Kenya's own public health pest control programmes by 40-60% and makes Kenya the supplier of formulated pyrethrin products to East African public health programmes nationally.
Export Position	With domestic formulation capacity, Kenya becomes not just the world's pyrethrum raw material exporter but its primary formulated insecticide exporter. The East African, West African, and South Asian agricultural markets represent significant demand for affordable, natural-origin insecticides. Kenya's supply chain advantage — growing the active ingredient domestically — gives it a permanent cost and quality edge over synthetic insecticide manufacturers.

SECTION 10: PHARMACEUTICAL MANUFACTURING

Kenya has the third-largest pharmaceutical manufacturing sector in sub-Saharan Africa — after South Africa and Nigeria — with approximately 40 licensed manufacturers producing generic medicines, medical devices, and health commodities. Companies like Cosmos Pharmaceuticals, Dawa Limited, Beta Healthcare, Universal Corporation, and Elys Chemical Industries produce a significant range of essential medicines. Yet Kenya still imports approximately 70% of the medicines it consumes — and the East African Community's 300 million people import the vast majority of their pharmaceutical needs from India, China, and Western manufacturers.

The gap between what Kenya currently makes and what East Africa needs is the industrial opportunity. Kenya's pharmaceutical sector is positioned — by infrastructure, by skills base, by regulatory history — to supply the East African essential medicines market. The programme expands this capacity deliberately and connects it to the national health system as its anchor domestic customer.

10.1 The Essential Medicines Programme

Element	Programme
Domestic Production Target	Kenya produces 100% of its own essential medicines list — the WHO and Kenya Essential Medicines List — domestically by Year 10. This means: oral rehydration salts, paracetamol, amoxicillin, metformin, atenolol, salbutamol inhalers, metronidazole, cotrimoxazole, artemether-lumefantrine (malaria treatment), and the full HIV/AIDS antiretroviral range. None of these are technically complex. All can be manufactured from imported active pharmaceutical ingredients (APIs) or, ultimately, from domestically synthesised APIs.
The KEMSA Anchor	The Kenya Medical Supplies Authority — KEMSA — is the primary domestic customer for the pharmaceutical sector. KEMSA procurement is directed to domestic manufacturers as a first preference — not a mandated preference that protects incompetence, but a structured preference that gives domestic manufacturers the volume certainty they need to invest in quality systems and capacity. A domestic manufacturer that meets WHO Good Manufacturing Practice (GMP) standards receives preferred supplier status for the KEMSA essential medicines tender.
East African Export	Once domestic demand is served, Kenya's pharmaceutical manufacturers export to the East African Community market — Tanzania, Uganda, Rwanda, Burundi, DRC, South Sudan, Ethiopia, Somalia. The EAC's combined essential medicines import bill is approximately USD 2 billion annually. Kenya's manufacturers, with WHO GMP certification and domestic API supply, can compete on price and quality with Indian generics — and have the advantage of proximity, relationship, and regional regulatory recognition.
Vaccines	A Kenya Vaccines Manufacturing Consortium — a joint venture between the government, the University of Nairobi Medical Sciences faculty, and two international vaccine manufacturers — produces a selection of essential vaccines for domestic use and regional export. Priority vaccines: malaria (RTS,S), yellow fever, meningitis A, and the EPI (Expanded Programme on Immunisation) childhood vaccine schedule. This is a 10-15 year horizon — vaccine manufacturing is technically demanding and capital-intensive — but the

	foundation is laid from Year 1.

10.2 Active Pharmaceutical Ingredient Production

Currently, Kenya's pharmaceutical manufacturers import all their active pharmaceutical ingredients — the chemically active molecules that make a medicine work — from India and China. API manufacturing requires advanced organic chemistry capability and is more complex than formulation. But Kenya's chemistry departments at the University of Nairobi, Strathmore, and JKUAT, combined with the coastal chemical complex's organic synthesis capability, provide a foundation for selected API production.

Element	Programme
Priority APIs for Domestic Production	Artemisinin (from domestic Artemisia annua cultivation in Kenya's highland zones — already being piloted by KEMRI), paracetamol (from p-aminophenol, a chlor-alkali downstream product), and selected antiretroviral APIs where Kenya's HIV treatment programme provides sufficient volume to justify domestic synthesis.
The University Pipeline	The Kenya University Research Commercialisation Office (designed in the Tertiary Education Vision) applies directly to pharmaceutical research. A chemistry department that develops a more efficient synthesis route for an essential API owns the patent. The Research Commercialisation Office licenses it to domestic manufacturers. The revenue funds the next research cycle. Kenya's pharmaceutical industry is connected to Kenya's universities in the same way that the UK's pharmaceutical industry is connected to Cambridge and Oxford.

SECTION 11: INDUSTRIAL GOVERNANCE

An industrial programme of this scale requires a governance architecture that provides capital, manages Special Economic Zones, connects the Jua Kali sector to the formal industrial economy, and enforces the Buy Kenya Build Kenya procurement commitment with measurable targets and real consequences for non-compliance.

11.1 The Kenya Industrial Development Corporation

The Kenya Industrial Development Corporation — KIDC — is reconstituted as a genuine development finance institution with an industrial investment mandate. Not a bureaucracy that processes applications. An institution that identifies industrial opportunities, structures investments, takes equity stakes alongside private investors, and manages the state's industrial portfolio actively.

Element	Programme
Capitalisation	KSh 150 billion initial equity from the National Treasury, disbursed over 5 years. The KIDC is Kenya's industrial investment vehicle — it co-invests with private and international partners in the industrial cluster investments designed in this programme.
Investment Mandate	KIDC takes equity positions (10–40%) in strategic industrial investments: the KISC integrated mill, the KFPEC food processing equipment company, the PVC manufacturing plant, the tanneries, the Rivatex recapitalisation, the pharmaceutical API facilities. It is not a grant-giving body. Every investment must return capital. KIDC exits its equity positions when the investment is commercially self-sustaining — recycling the capital into the next investment.
Industrial Bonds	KIDC issues industrial bonds — sovereign-backed debt instruments — to mobilise long-term capital from pension funds, insurance companies, and international development finance institutions for industrial infrastructure investment. Kenya's pension funds hold approximately KSh 1.8 trillion in assets, mostly invested in government securities. Industrial bonds offer a higher yield than government bonds with sovereign backing — mobilising domestic long-term capital for industrial investment.
Project Development	KIDC employs a project development team — engineers, economists, financial analysts, and legal specialists — who develop investment projects from concept to bankable proposal. The KIDC does not wait for private investors to bring fully formed projects. It identifies the industrial opportunity, develops the project concept, structures the investment, and then invites private partners to co-invest in a well-structured deal.

11.2 Special Economic Zones

Special Economic Zones provide industrial investors with serviced land, simplified regulatory processing, preferential utility rates, and a defined fiscal framework. Kenya's existing SEZ programme — Dongo Kundu, Athi River, Kisumu, Mombasa — is expanded and operationalised at full specification.

Zone	Industries and Infrastructure

Dongo Kundu SEZ (Coast)	Heavy industry anchor. Steel mill, chemical complex, fish processing, ship repair. Deep-water berths, heavy freight rail, industrial power, water from desalination. 3,000 hectares designated industrial land.
Athi River SEZ (Nairobi)	Light manufacturing, pharmaceuticals, food processing, electronics assembly, vehicle assembly. 1,500 hectares. SGR freight connection. Largest existing industrial cluster in Kenya.
Kisumu SEZ (Lake Basin)	Fish processing, sugar refining, textiles, boat building, aquaculture equipment. 800 hectares. Lake Victoria port access. Kisumu Airport cargo hub.
Eldoret Industrial Park (Rift Valley)	Agro-processing anchor. Tea blending, coffee roasting, dairy processing, pyrethrum formulation, macadamia and avocado processing. 600 hectares. Eldoret Airport export hub.
Isiolo Industrial Zone (Northern)	Long horizon. Livestock processing, leather tanning, dryland crop processing. 400 hectares. LAPSSET corridor connectivity. Operational from Year 10.

11.3 The Jua Kali Formalisation Programme

Kenya's informal manufacturing sector — Jua Kali — employs millions of people in fabrication, repair, and light manufacturing activities that are economically essential but structurally excluded from formal procurement, formal finance, and formal skills development. The Jua Kali artisan who fabricates agricultural equipment, repairs vehicles, or makes furniture is operating outside the KNQF, outside the banking system, and outside the supply chains that the formal economy depends on. This exclusion is inefficient for the economy and unjust for the worker.

Element	Programme
KNQF Recognition	Jua Kali practitioners with demonstrated competence in their trade are assessed for KNQF Certificate recognition through the Recognition of Prior Learning process (designed in the Tertiary Education Vision). Assessment centres at every Technical College. The Jua Kali artisan who has spent 10 years fabricating irrigation equipment does not take a 12-month course. They demonstrate their competence and receive the Certificate they have already earned in practice.
Cooperative Formalisation	Jua Kali workshops in the same trade cluster — metalworkers, carpenters, tailors, electronics repair technicians — are supported to form cooperatives: shared tool purchase, collective procurement of materials, joint quality standards, and collective marketing. The cooperative structure connects the individual Jua Kali operator to the KIDC's financing programmes and to the national procurement system.
Procurement Access	The Buy Kenya Build Kenya procurement policy reserves a minimum 30% of government procurement in eligible categories for domestically manufactured goods. Within that 30%, a minimum 10% is specifically allocated to KNQF-certified cooperatives and SMEs — including formalised Jua Kali cooperatives. A Jua Kali cooperative that is KNQF-certified and produces furniture to the Kenya Standard can supply school furniture to the KSBC school building programme. This is the formal economy's door opening to the informal sector — not as charity, but as a procurement decision.
Jua Kali Industrial Parks	Every county operates a Jua Kali Industrial Park — a serviced cluster of small workshops with shared power, water, waste disposal, tool library, and materials storage. Built by KSBC. Managed by the county cooperative sector. Workshops rented at subsidised rates to KNQF-certified operators. The Jua Kali Industrial

	Park is not a charity project. It is the physical infrastructure of the informal-to-formal transition.

11.4 Buy Kenya Build Kenya — With Teeth

The Buy Kenya Build Kenya policy has existed on paper for years. It has been honoured mostly in its breach. This programme makes it enforceable and measurable.

Element	Programme
The Domestic Content Requirement	All government procurement contracts above KSh 50 million must include a domestic content plan: what percentage of the contract value will be spent on Kenyan-produced goods and services, Kenyan labour, and Kenyan-owned suppliers. The plan is submitted with the bid. Compliance is audited at contract completion. Contracts that fail the domestic content requirement without justification trigger penalty provisions.
The 30% Reservation	30% of eligible government procurement — construction materials, food, uniforms, furniture, equipment — is reserved for domestic manufacturers meeting quality standards. This reservation is not a quality concession. A domestic product that meets the specification at a competitive price wins. A domestic product that does not meet specification does not win regardless of the reservation. The reservation creates opportunity. It does not guarantee business to the incompetent.
Progressive Domestic Content	For the steel mill, the PVC plant, the food processing equipment company — the first years of operation produce at higher cost than imports. The Buy Kenya procurement preference absorbs this cost premium during the learning curve — exactly as the South Korean government absorbed the cost premium of Posco's early production before it became the world's most efficient steel producer. The preference is time-limited: it expires when the domestic producer reaches internationally competitive cost. After that, the domestic industry competes on merit — because it has been given the market scale to reach competitive cost.

Viwanda vya Taifa. The Nation's Industry.

We make what we need. We sell what we make.

No raw material leaves Kenya as a raw material

if it can be processed here at competitive cost.

PROGRAMME INTEGRATION APPENDIX

Viwanda ya Taifa — Industry — Cross-Programme Integration, Employment Summary and Legal Register

A. Employment Summary

Institution / Role	Permanent	Entry-Level	Entry Qualification and Pathway
KISC — Kenya Integrated Steel Corporation (Dongo Kundu)	5,000	2,500	Steel plant operatives, furnace operators, casting crews, logistics handlers — KNQF Level 3–4. Entry: KNQF Level 3 technical training in metallurgy or industrial operations.
KFPEC — Kenya Food Processing Equipment Corporation	2,000	1,000	Manufacturing operatives, assembly line workers, quality control assistants — KNQF Level 3–4.
Pharmaceutical manufacturing plants (programme-enabled)	3,000	1,500	Pharmaceutical production operatives, quality control technicians — KNQF Level 4–5.
Chlor-alkali plant staff	500	200	Chemical plant operators — KNQF Level 4–5.

Employment Summary	Figure
Total permanent positions (Year 10 steady state)	~10,500
Entry-level positions (KNQF Level 2–5)	~5,200
Reference — full programme employment register	Programme Integration Index (PII) Section Two

B. Cross-Programme Linkages

Every linkage below names the specific institution, data system, or instrument that creates the interface. Vague references are not listed — only confirmed operational connections.

Links To	Specific Linkage — Institution, Data System, or Instrument at the Interface
Usafiri wa Taifa	KRC freight corridors and Mombasa Port handle KISC's raw material inputs (iron ore, coking coal, scrap) and finished steel output. KISC's Dongo Kundu location is adjacent to Mombasa Port — the LAPSSET cargo infrastructure is the primary evacuation route. KILP freight booking integrates KISC logistics with the national freight system.
Sayansi na Teknolojia	KEMRI-KFPEC pharmaceutical pipeline: KEMRI compounds in development → KEMRI-Pharmaceutical Manufacturing Pipeline Committee → KFPEC manufacturing development → clinical-grade production. KMMRI (KRA Institute 6) steel metallurgy research: KISC production quality improvements, blast furnace optimisation, continuous casting precision. The Valley of Death bridging fund (Sayansi) finances the KEMRI-to-manufacturing gap.

Nishati ya Taifa	KISC power requirements: 400 MW dedicated allocation from the national grid (the programme's largest single industrial energy consumer). Power supply agreement is a KECA-approved contract between KPLC and KISC. Power interruption is KISC's most critical operational risk.
Ulinzi na Usalama	KISC is classified Critical National Infrastructure. NPS Industrial Security Service: 24-hour physical security presence from Year 2 (construction) to first steel (Year 7) and beyond. KISC process control systems (blast furnace, BOF, continuous casting) are air-gapped from the public internet under NIS monitoring. KMEC builds port security infrastructure at Dongo Kundu and Kilindini that protects KISC's raw material supply chain.
Ardhi ya Taifa	Dongo Kundu SEZ PILG clearance: the KISC site within the Dongo Kundu Special Economic Zone requires NLC confirmation of title and any historical claims before KSBC construction mobilises.
Kazi ya Taifa	KISC's 5,000 positions include a NIAS manufacturing track — NIAS directs Form 4 leavers with aptitude for precision work and industrial operations toward KISC's entry-level training programme (3-month KISC Technical College). The KISC employment in Mombasa/Kilindini is a graduation pathway for social protection recipients in Coast County.

C. Legal Instruments and Constitutional Protection

Legal Instrument	Year	Pathway
KISC Incorporation — Companies Act, National Treasury sole initial shareholder	Year 1	Cabinet approval + Companies Act registration
KFPEC Incorporation — joint venture with agricultural equipment manufacturers	Year 1	Cabinet approval + Companies Act
Kenya Pharmaceutical Manufacturing Act — enabling domestic drug manufacture from KEMRI pipeline	Year 3	Simple majority
Dongo Kundu Special Economic Zone Act Amendment — KISC and pharmaceutical SEZ incentives	Year 1	Simple majority

D. Live Metrics and Accountability

Full cross-reference detail: Programme Integration Index (PII) — Sections 1, 2, and 3. **Live metrics:** KISC Production Dashboard. Daily: steel production (tonnes), power consumption (MW), raw material inventory levels. Monthly: export volumes and revenue, KEMRI-KFPEC pipeline compounds in development and clinical trial status, pharmaceutical import

substitution rate. Annual: KISC financial accounts (CAG-audited, published within 4 months of year end).